

February 4, 2011

The Honorable Nathan Deal  
Georgia State Capitol  
Atlanta, GA 30334

Dear Governor Perdue:

During the week of May 24, 2010, staff from the State Fiscal Stabilization Fund (SFSF) program from the U.S. Department of Education conducted the first of two monitoring reviews of your State's implementation of the SFSF program. Your State's SFSF contacts were extremely helpful in coordinating and responding to this desk review.

During the monitoring review, we discussed your State's policies, procedures, and activities related to the SFSF program. We met with officials at local educational agencies (LEAs) and public institutions of higher education (IHEs) that have received Education Stabilization Fund grants, as well as with representatives of entities that have received Government Services Fund grants. A complete description of the scope of the monitoring review and the SFSF monitoring protocols are available on the Department's website at: [www.ed.gov/programs/statestabilization/applicant](http://www.ed.gov/programs/statestabilization/applicant).

The Department found that the State implemented the program expeditiously and effectively in order to meet the financial needs of LEAs, IHEs and other State agencies. This report demonstrates Georgia's commitment to ensuring that the funds were spent quickly, while balancing the need for accountability and transparency. The Department identified one issue regarding the State's implementation of the program. Due to the State's declining fiscal condition and in an effort to expedite the distribution of funds to LEAs, the State did not collect applications from all LEAs prior to distributing a portion of the SFSF funds. Georgia had already identified and resolved the issue prior to the Department's monitoring visit. Therefore, there are no issues for the State to resolve.

The Department is grateful for the cooperation and responsiveness of the staff in Georgia. Monitoring not only helps States to achieve high-quality implementation, but also helps the Department to improve its role as an advisor and partner with States in this effort. As we work together, we want this process to be interactive and helpful. Successful implementation of SFSF nationwide will enable us all to meet our shared goal of improving teaching and learning for all students.

We will be contacting you in the future to schedule an on-site monitoring review of the State's implementation of the SFSF program. We look forward to collaborating with you and the other officials in Georgia who are working on this critical educational initiative.

Sincerely,

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Joseph C. Conaty, Ph.D.

Delegated the Authority to Perform the  
Functions and Duties of the Director for the  
State Fiscal Stabilization Fund Program